



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
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DEPARTMENT OF HUMAN SERVICES
KEVIN W. CONCANNON, DIRECTOR

July 6, 2007

GENERAL LETTER NO. 23-B-6

ISSUED BY: Bureau of Purchasing, Payments, and Receipts,
Division of Fiscal Management

SUBJECT: Management Manual, Title 23, Chapter B, ***COLLECTIONS***, Title page,
revised; Contents (page 1), revised; and pages 1 through 7, revised.

Summary

This chapter is revised to reflect current policies and procedures.

Effective Date

Immediately.

Material Superseded

Remove the following pages from Management Manual, Title 23, Chapter B, and destroy them:

<u>Page</u>	<u>Date</u>
Title page	July 21, 1998
Contents (page 1)	July 21, 1998
1-7	July 21, 1998

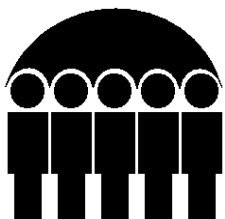
Additional Information

Refer questions about this general letter to your area income maintenance administrator, service area manager, or your regional collections administrator.

Revised July 6, 2007

Management Manual
Title 23
Chapter B

COLLECTIONS



Iowa
Department
of
Human Services

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Overview

The purpose of this chapter is to explain the policies and procedures regulating collections or receipts on behalf of the Iowa Department of Human Services.

"Collections" include cash, checks or drafts, and state warrants.

The legal basis for this chapter is Iowa Code Chapter 217, section 6. In reference to retention of yellow copy of the receipt, 45 Code of Federal Regulations 92.42 applies.

Person Authorized to Make Collections

Each area administrator, service area manager, or regional collections administrator authorizes designated employees to make collections on behalf of the Department. Permanent or probationary Department employees, approved friend of court employees, and contract or temporary employees of the Department can be authorized to make collections.

All persons authorized to make collections on behalf of the Department shall be bonded. (Permanent, probationary, contract, and temporary employees of the Department are bonded through the hiring process.) The authorization is effective only when the person is acting in an official capacity.

Authorize sufficient staff in every office to make collections to ensure that someone who can issue receipts is always available during office hours.

Each authorizing administrator shall prepare a letter or e-mail of authorization for employees who are designated to make collections in each office. Submit the letter or e-mail to the Bureau of Purchasing, Payments and Receipts. Keep a copy of the authorization letter or e-mail in the originating office for review by state, federal, or Department auditors.

The authorizing administrator notifies the Bureau of Purchasing, Payments and Receipts regarding changes in the status of employees authorized to have a receipt book.

Receipt Books

Order receipt books from the Bureau of Purchasing, Payments and Receipts. Issue books only to persons who have an authorization on file at the Bureau of Payments and Receipts. Only the assigned employee is to use the receipt book. No other authorized or unauthorized employee may use it.

Restrictions on the use of the receipt books are to provide accountability and an audit trail. The person to whom the book is assigned is responsible for all the receipts in the book. The Bureau of Purchasing, Payments and Receipts records the numbers of the receipts assigned to each employee.

See [23-B-Appendix](#) for instructions on ordering receipt books, disposing of used books, and handling partially used or unused books when the assigned employee leaves the position for which the employee was issued a receipt book.

Issuance of Receipts

Authorized bonded employees acting in an official capacity issue an *Official Receipt*, form 470-0009, for the full amount of collections received on behalf of the Department.

NOTE: Do not write an *Official Receipt*, for non- Department collections that will not be remitted to central office (for example, a check received that will be remitted to the County Auditor's Office.) Refer customers to the appropriate address to make their non-Department payments.

If payment is received during a home visit and the employee does not have a receipt, the employee must issue the receipt as soon as possible upon return to the office.

The authorized Department employee shall provide a copy of the *Official Receipt* to the payer or remitter at the time of collection. When the payment is received in the mail, mailing a copy to the payer is not required unless the payer requests a receipt for the payment and includes a self-addressed stamped envelope with the payment.

See [23-B-Appendix](#) for instructions for completing the *Official Receipt*.

Remittances Made in Central Office

Acknowledge remittances made in person to central office by issuing an *Official Receipt*, form 470-0009, to the payer. Give the white copy of the *Official Receipt* to the payer at the time the collection is accepted.

If a cash payment is received in the mail, write an *Official Receipt*. The white copy may be mailed to the payer, but this is not required. If a payer requests a receipt for the payment, and includes a self-addressed stamped envelope with the payment, the white copy must be mailed to the payer. If the white copy is not mailed to the payer, it must be retained in the receipt book with the pink copy.

Stamp the yellow copy of the *Official Receipt* with the date received and forward it to the cashiers' office. Official receipts sent to the cashier through local mail should be addressed to:

Department of Human Services
Cashier's Office
1st Floor—Hoover building

Official receipts sent to the cashier through the United States Post Office should be addressed to:

Department of Human Services
Cashier's Office, Room 14
1st Floor—Hoover State Office Building
1305 E. Walnut Street
Des Moines, IA 50319-0014

After processing, the cashiers' office will return the receipt to the person or agency that wrote it. File yellow copy back in the receipt book with the pink copy. Retain the yellow receipt for five years beyond the date of the receipt.

EXCEPTION: Do not issue an *Official Receipt* for collections paid by check and received in central office accompanied with an *Overpayment Statement*, form 470-0130. (See [6-Appendix](#).) See 6-G, [Cash Payments](#), for procedures on recovery of overpayments.

Transmittal of Funds

Keep all collections in a secure location and forward them no later than the next business day following the date of collection. Transmit collections made in currency to the cashier's office in the form of a money order, bank draft, cashier's check, or similar instrument. Draw such instruments to read: "Pay to the order of Iowa Department of Human Services."

Periodically secure reimbursement for money order fees, bank charges, or other authorized charges by filing the expenses on the *Travel Payment*, TP 07-410. See 23-H-Appendix, [Travel Payment, Form TP 07-410](#), for instructions on the use. Attach money order stubs or other original evidence of payment. Do not reduce the collections by these expenses before remitting.

Child Support Funds

Forward child support fees for services (NPA application fees, blood tests, etc.) and any state warrants returned to a Department of Human Services (DHS) local office or Child Support Recovery Unit (CSRU) office that originated from the Iowa Collection and Recovery (ICAR) system's Collection Service Center (CSC) case to the:

Bureau of Collections
PO Box 9243
Des Moines, Iowa 50306-9243

Child support payments and fees can be paid in cash. The receiving office will deposit the cash in the local CSRU bank account. The Treasurer of State transfers the deposit from the local bank accounts to the State of Iowa Wells Fargo account.

Forward other child support monies, such as payments from employers, or payments received by a client directly from the payor, or any other child support monies that need to be credited to the CSC case to:

Collection Service Center
PO Box 9125
Des Moines, Iowa 50306-9125.

Child support payments and fees must be made payable to, or endorsed over to, the Child Support Recovery Unit or Collection Services Center.

Non-Child Support Funds

Forward non-child support payments that are received at a local office for the benefit of the Department, to the Department cashier's office with the yellow copy of the *Official Receipt*, form 470-0009, attached. The address is Room 14, Hoover State Office Building, Des Moines, Iowa 50319-0014.

Restrictively endorse all monies: "Pay to the order of Treasurer, State of Iowa, all prior endorsements guaranteed, State Department of Human Services, (name of local office)." These endorsements shall be made immediately by the person receiving the payment.

Acknowledgment of Funds

The cashier's office acknowledges all collections sent in from local offices as follows:

- ◆ Date-stamp the yellow copy of the *Official Receipt*, form 470-0009, with the date received immediately upon receipt.
- ◆ Return the yellow copy to the issuing office within 30 days of issuance, unless extenuating circumstances exist.

To comply with federal regulations, the yellow receipt must be filed back into the receipt book with the pink copy retained for a period of five years beyond the date of the receipt.

In each local office, individual workers shall ensure that all of the monies collected and receipted by them are ultimately date-stamped as received by the Department's central office in Des Moines. Compare the validated receipt from the cashier's office with the original receipt in the receipt book.

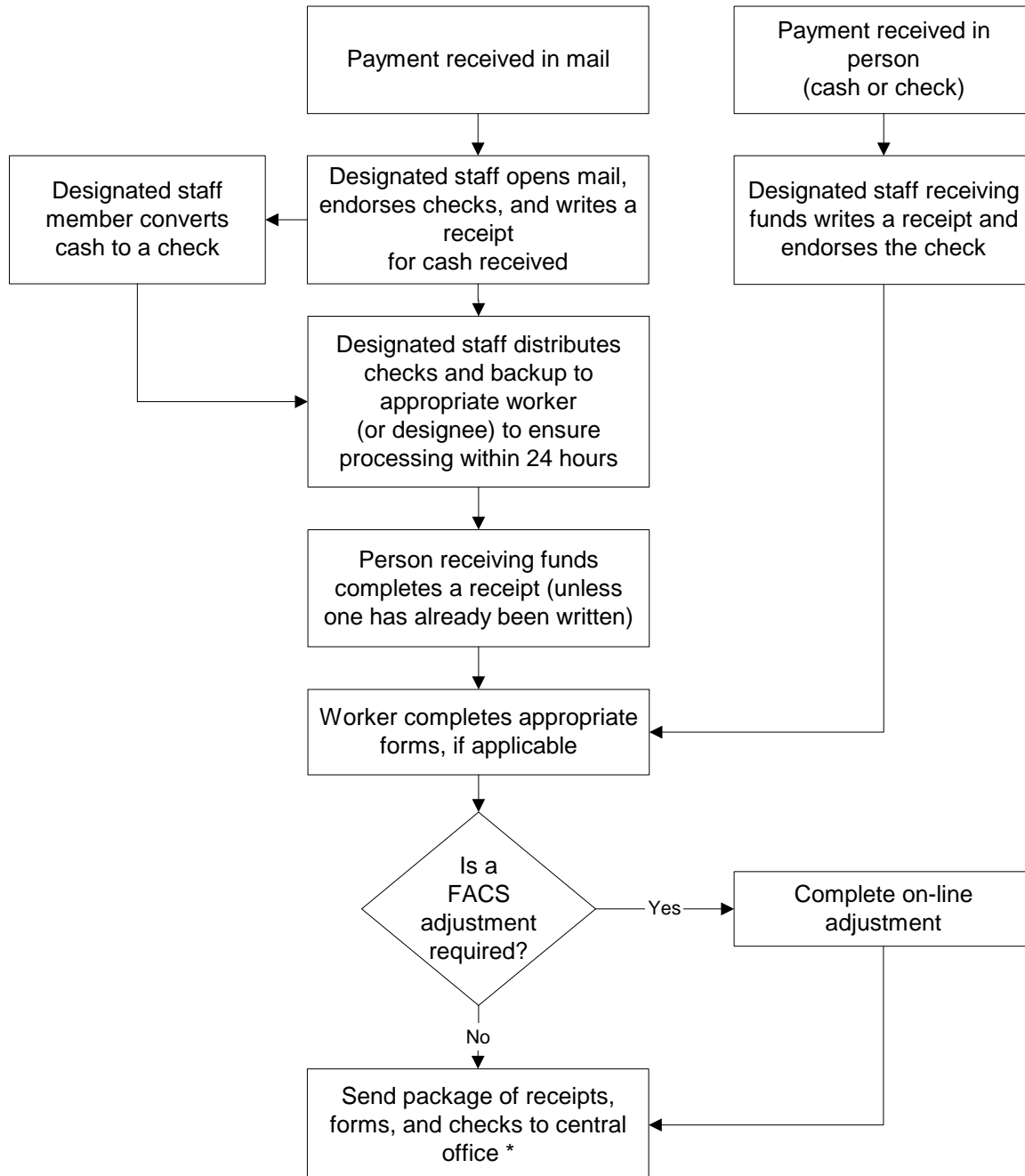
If central office has not returned a duplicate copy within 30 days of issuance, or if the duplicate copy has been returned but there is no date stamp affixed, contact the appropriate division or administrative office. Discuss and decide upon action which will provide positive proof that the remittance was received in central office as well as the date it was received.

This information may include, for example, photocopies of central office records, a copy of the pink control copy of the receipt which can be date-stamped by central office with an appropriate date, or whatever is appropriate in the situation. Retain the information with the receipt book for the next audit. If possible, this should be done before the start of the next audit, or it could result in an audit exception.

Summary of Receipt Process

The following charts illustrate the receipt processes for local offices and for central office.

Local Office Receipts



* See [Acknowledgment of Funds](#) for details beyond this point.

Central Office Receipts

